

MINUTES  
REPRESENTATIVE TOWN MEETING  
JANUARY 24, 2011

RECEIVED  
JAN 31 2011  
TOWN CLERK'S OFFICE  
DARIEN CT.

CALL TO ORDER

The Regular Representative Town Meeting was called to order at 8:10 p.m. by Donna Rajczewski, Town Clerk.

Upon Roll Call, the following members were present:

From District I, there were 15 members present, 1 absent.  
From District II, there were 12 members present, 3 absent.  
From District III, there were 15 members present, 2 absent.  
From District IV, there were 9 members present, 5 absent.  
From District V, there were 14 members present, 2 absent.  
From District VI, there were 15 members present, 2 absent.

The absentee from District I was : Price.

The absentees from District II were: Gallo, Maguire, McIlmurray.

The absentees from District III were: D'Urso, Maroney.

The absentees from District IV were: Morrison, Peters, Rayhill, C. Schoonmaker,  
S. Schoonmaker.

The absentees from District V were: Conniff, Pierret.

The absentees from District VI were: Bealle, Conologue.

The Moderator, Karen A. Armour, assumed the Chair.

ACCEPTANCE OF THE AGENDA

**\*\* THE AGENDA WAS ACCEPTED BY UNIVERSAL CONSENT.**

APPROVAL OF THE MINUTES OF THE DECEMBER 6, 2010 STATE OF THE TOWN  
MEETING

**\*\* THE MINUTES WERE APPROVED BY UNIVERSAL CONSENT.**

ANNOUNCEMENTS

The Moderator said that there would be a special election on February 22<sup>nd</sup> to elect a state senator from Districts II and IV and part of Stamford. The Moderator urged everyone to vote.

The Moderator read the following:

This Announcement is being made to inform Members of the RTM of a project that will be starting soon, and that will continue over several months.

The Rules Committee has asked the TGS&A Committee to prepare a review of the Charter that will identify sections of the Charter that fall into one of the following categories:

- 1) sections that may be moved from the Charter into the ordinances
- 2) sections that are in need of technical correction to bring them into line with current practices, and
- 3) sections that are obsolete, which may be identified for deletion or inactivation.

This work will be performed over the next several months, drawing upon the resources that are available among members of this body, administrators within the town, and residents who are familiar with these issues.

Town Counsel will be asked to provide assistance as necessary.

Findings will be presented to the RTM for interim review, as well as presented to the RTM and the public in draft language that will be used to amend the charter, as prescribed, via public hearing and votes by the RTM.

It should be noted that this should be thought of as charter "maintenance or housekeeping, if you like." It will not involve the issues that were voted upon in the 2008 Charter Revision.

Individuals who would like to assist in this effort are invited to make their availability known to me by e-mail -- so that I may forward your names to the TGS&A Committee.

Thank you.

#### 11-1

#### **CONSIDERATION AND ACTION ON THE NEWLY NEGOTIATED CONTRACT BETWEEN THE DARIEN BOARD OF EDUCATION AND THE DARIEN ADMINISTRATORS' ASSOCIATION, EFFECTIVE JULY 1, 2011 AND EXPIRING JUNE 30, 2014**

**\*\* LOIS SCHNEIDER, DISTRICT I, CHAIRMAN OF THE EDUCATION  
COMMITTEE, MOVED:**

**WHEREAS**, on November 3, 2010, the Negotiating Subcommittees of the Darien Board of Education and the Darien Administrators' Association arrived at an agreement covering salaries and other conditions of employment for the Darien Administrators; and

**WHEREAS**, the contract covers a three-year period commencing on July 1, 2011; and

**WHEREAS**, the Darien Administrators' Association ratified this agreement on November 10, 2010; and

**WHEREAS**, the Board of Education of the Town of Darien approved this agreement on November 10, 2010; and

**WHEREAS**, the Collective Bargaining Agreement signed by the Darien Board of Education and the Darien Administrators' Association has been filed with the Darien Town Clerk as required by law on December 28, 2010; and

**WHEREAS**, pursuant to §10-153d(b) of the Connecticut General Statutes, the terms of said contract shall be binding on the legislative body of the local school district unless said body rejects said contract at a special meeting called and convened for said purpose within thirty (30) days of the filing of the contract.

**NOW THEREFORE AND BE IT RESOLVED** that the Representative Town Meeting of the Town of Darien hereby approves the Collective Bargaining Agreement between the Darien Board of Education and the Darien Administrators' Association covering salaries and other conditions of employment for the Darien Administrators for the three-year term beginning July 1, 2011. Said terms and conditions are more specifically set out in the contract on file with the Darien Town Clerk on December 28, 2010.

**\*\* MRS. SCHEIDER MADE THE FOLLOWING TECHNICAL AMENDMENTS: IN THE 3<sup>RD</sup> WHEREAS, "RATIFIED" WAS CORRECTED TO "SIGNED" AND THE IN 4<sup>TH</sup> WHEREAS, "APPROVED" WAS CORRECTED TO "SIGNED".**

**\*\* THE MOTION, AS AMENDED, WAS SECONDED FROM THE FLOOR.**

Lois Schneider, District I, Chairman of the Education Committee, read the committee report (attached).

Bruce Orr, District V, Chairman of Finance & Budget, read the committee report (attached).

Liz Mao, Chairman of the Board of Finance, said that the Board of Finance recommends approval of this item. She served on the Negotiating Committee. The administrators were very concerned about not going backwards. The Negotiating Committee feels this is a very good deal. It is important to set a new way of dealing, given the fact that the teachers' contract is coming up for renewal.

Kim Westcott, Chair of the Board of Education, read her prepared statement (attached).

Mary Ness, District I, said the previous contract had a salary range. She asked, at year three, what would be the highest and lowest salaries and why the days to be carried over had increased. Mrs. Westcott said that in year 2014, the lowest salary would be \$137,000 for 12 months the highest would be \$187,089 (high school principal). The sick days reflect the number of work days in a year. It was not a negotiated number. Dr. Falcone, Superintendent of Schools, said that there are people who have carried over 200 sick days. That would cover a person who might have an illness that lasts an entire year.

Mark Dailey, District V, asked if the 200 accumulated sick days being rolled into the last days of tenure would be figured into a pension. Mrs. Westcott said she did not know the answer to that question but they would get the answer. Dr. Falcone said they don't pay for accumulated sick days at retirement. They do pay vacation days up to 25, only for people who became administrators in 1996. Teachers and administrators don't operate under the town's pension fund.

Anthony Imbimbo, District I, asked about the 24% increase to the town's insurance provider.

Ted Hawkins, District VI, asked about language regarding position elimination. Dr. Falcone said it authorizes the superintendent to implement that protocol if a position is eliminated; it looks at the consequences.

**\*\* ITEM 11-1 CARRIED ON A RISING TALLY VOTE OF 72 IN FAVOR, 4 OPPOSED, 2 ABSTENTIONS.**

## **11-2**

### **CONSIDERATION AND ACTION ON INCREASING THE AMOUNT OF BONDING AUTHORIZED FOR WEED BEACH IMPROVEMENTS**

**\*\* BRUCE ORR, DISTRICT V, CHAIRMAN OF FINANCE & BUDGET, MOVED:**

**WHEREAS**, the Board of Finance of the Town of Darien (the "Town") adopted on April 6, 2008 and the Representative Town Meeting approved on April 28, 2008 a resolution appropriating \$3,600,000 for improvements to Weed Beach and authorizing the issuance of bonds and notes in the amount of \$2,000,000 (the "Resolution"); and

**WHEREAS**, the Town wishes to increase the authorization for bonds and notes by \$1,300,000, from \$2,000,000 to a total authorization of \$3,300,000.

#### **NOW THEREFORE, BE IT RESOLVED THAT:**

I. Section 2 of the Resolution is amended in its entirety as follows:

Section 2. To meet said appropriation, and in lieu of a tax therefor, \$3,300,000 bonds of the Town or so much thereof as shall be necessary for such purpose, may be issued, maturing not later than the twentieth year after their date. Said bonds may be issued in one or more series as determined by the Board of Finance, or any Town official designated by the Board of Finance, and the amount of bonds of each series to be issued shall be fixed by the Board of Finance, or any Town official designated by the Board of Finance, in the amount necessary to meet the Town's share of the cost of the Project determined after considering the estimated amount of the state and federal grants-in-aid on the Project, and the anticipated times of the receipt of the proceeds thereof. The bonds shall be in the denomination of \$5,000 or a whole multiple thereof, be issued in fully registered form, be executed in the name and on behalf of the Town by the facsimile or manual signatures of the First Selectman and the Town Treasurer, bear the Town seal or a facsimile thereof, be certified by a bank or trust company, which bank or trust company may be designated the registrar and

transfer agent, be payable at a bank or trust company, and be approved as to their legality by Pullman & Comley, LLC of Hartford, Connecticut. The bonds shall be general obligations of the Town and each of the bonds shall recite that every requirement of law relating to its issue has been duly complied with, that such bond is within every debt and other limit prescribed by law, and that the full faith and credit of the Town is pledged to the payment of the principal thereof and interest thereon. The aggregate principal amount of the bonds of each series to be issued, the annual installments of principal, redemption provisions, if any, the certifying, registrar and transfer agent, and the paying agent, the date, time of issue and sale and other terms, details and particulars of such bonds, including the approval of the rate or rates of interest, shall be determined by the Board of Finance, or any Town official designated by the Board of Finance, in accordance with the General Statutes of the State of Connecticut, as amended (the "General Statutes"). The balance of such appropriation in the amount of \$300,000 is to be financed with moneys available in the general fund.

II. Except as expressly amended by this resolution, all other provisions of the Resolution shall remain unchanged.

III. This resolution shall be effective upon passage.

**\*\* THE MOTION WAS SECONDED FROM THE FLOOR.**

Bruce Orr, District V, Chairman of Finance & Budget, said that what he had moved was the substitute resolution, which had minor wording changes, but the substance of the resolution was unchanged. He then read the report of the Finance & Budget Committee (attached).

Cheryl Russell, District V, Chairman of the Parks & Recreation Committee, read the report of the committee (attached).

Attorney Fox clarified that the substitute resolution changes the amount from \$2,000,000 to \$3,300,000. The language came from Bond Counsel to meet the requirements of bonding. The substance has not changed.

Liz Mao, Chairman of the Board of Finance, said that the Board of Finance is very conservative. They feel that they can bond this now but are concerned about this year. Interest rates are at record lows. They have asked for permission to bond but may not have to bond the entire amount. It would cost them about \$30,700 extra per year to issue bonds rather than pay it from the General Fund. If they bond, they expect it to be some time in the fall. They would want to accelerate that because they would start the project after Labor Day.

Jack Davis, District V, asked if that was the incremental cost of the bonding; Mrs. Mao said it was.

Timothy Schwarz, District I, said last spring, they made cuts in the operating budget and he asked what this would do the rest of the operating budget. Would the increased capacity at Weed Beach lead to higher operating costs? Jane Branigan, Chairman of the Parks & Recreation

Commission said that was a long-term issue. Mrs. Mao said this would have no effect on the operating budget. Mr. Schwarz asked if they are finding money to fund things that they couldn't pay for last year. Mrs. Mao said the budget season is just beginning. First Selectman Campbell said they felt it was time to do these two projects because of the low bond costs and the fact that the building is very old and not well maintained. The Police Department's bids were lower than two years ago.

John van der Kieft, District V, said he was curious as to whether costs could be reduced, given that construction costs have come down and how long it would take to do the renovation. Debbie Parnon, Chairman of the Weed Beach Building Committee, said that the project had been cut back originally. There is no room to cut any more.

Peter Kelly, District I, asked if there was room within the \$3,600,000 to bring it in under this amount. He asked why they were authorizing the entire amount. Mrs. Branigan said that in 2008, it was for \$3,600,000 and the RTM authorized bonding for \$2,000,000 and paying \$1,600,000 out of the General Fund. Everything was put on hold. Last fall, the Selectmen released the bond funds. They cut the \$1,600,000 from the General Fund down to \$1,300,000. The Board of Finance okayed the \$1,300,000 to be bonded. They hope this will be approved so that they can continue the project and finish it by the spring of 2012.

Timothy Schwarz, District I, asked the operating budget for Weed Beach and what it will be when the work is done. Mrs. Branigan said they are going through the budget season now. She does not have the numbers right now. Mr. Schwarz said it is hard to vote on a capital budget when they don't know the ongoing costs.

Bruce Orr, District V, said they don't typically bond until there is a large enough scale for a bond issue. This resolution is not about the merits of the project. He asked if the project would be funded if this resolution was not approved. Mrs. Mao said it probably would be funded. This is to provide flexibility to the Board of Finance.

Jack Davis, District V, said in April 2008, he voted against Weed Beach because he felt it did not make sense because of the economic timing. However, that is a done deal, but now, being fiscally conservative, he has to look at whether it makes sense to release \$1,300,000 from the General Fund or allow the Board of Finance to bond this. It is prudent to give that flexibility to the Board of Finance.

Susan LeHan, District III, asked about the yearly interest cost. Mrs. Mao said based on a 20-year straight principal and interest payment at 4-1/2%, it would be an incremental cost of \$30,700. The Board of Finance has a lot of flexibility. It is prudent to take advantage of the short-end yield curve.

Peter Kelly, District I, said they need to address the impact of this project on the Parks & Recreation budget. The people responsible should be able to answer that question and they have not been able to do so.

Reilly Tierney, District I, said that Finance & Budget had a very close vote on this issue. The committee discussed the fact that not increasing the bond was killing this project. He asked if they were going to do this anyway. Mrs. Mao said any decision to kill the project would have to be the consensus of the Board of Selectmen, the Board of Finance and the RTM. She said they

are not looking to draw down the General Fund over the next few years to balance their budget, but they should be more careful about going into it for a project like this.

Robert Young, District III, said he had voted for it but asked if this building can be used (bath house). The Moderator said that was not the subject of the resolution. They have already approved the project.

**\*\* EUGENE COYLE, DISTRICT III, CALLED THE QUESTION.  
\*\* THE MOTION WAS SECONDED FROM THE FLOOR.  
\*\* MOTION CARRIED BY VOICE VOTE.**

**\*\* ITEM 11-2 CARRIED ON A RISING TALLY VOTE OF 55 IN FAVOR, 18  
OPPOSED, 4 ABSTENTIONS.**

### **11-3**

#### **CONSIDERATION AND ACTION ON TAX ABATEMENT FOR THE ALLEN- O'NEILL PROJECT**

**\*\* BRUCE ORR, DISTRICT V, CHAIRMAN OF FINANCE & BUDGET, MOVED:**

**WHEREAS**, the RTM of the Town of Darien on March 15, 2010 adopted an ordinance allowing for a tax abatement for low and moderate income housing; and

**WHEREAS**, said ordinance provides for the Town to be able to enter into a Memorandum of Agreement for Tax Abatement for a specific project; and

**WHEREAS**, any such agreement must meet with the approval of the Board of Selectmen, the Board of Finance and the RTM; and

**WHEREAS**, the Board of Selectmen has reviewed and approved the attached agreement which is proposed for the Allen-O'Neill project.

**NOW THEREFORE, BE IT RESOLVED** that the Representative Town Meeting of the Town of Darien hereby approves the Memorandum of Agreement attached hereto.

MEMORANDUM OF AGREEMENT CONCERNING  
TAX ABATEMENT FOR ALLEN-O'NEILL PROJECT

This Memorandum of Agreement is entered into as of this       day of  
2010, by and between the Housing Authority of the Town of Darien (the "Authority"),  
AON, LLC ("AON") and the Darien Board of Selectmen.

WHEREAS, the Authority and AON intend to redevelop the Allen-O'Neill  
Project (the "Project"); and

WHEREAS, the Project will increase the number of affordable housing and  
rental units and replace existing affordable housing rental units in the low and moderate  
income housing project which is currently owned and operated by the Authority in the  
Town of Darien; and

WHEREAS, the development of the Project is in the best interests of the Town  
and promotes the health, safety and welfare of its residents; and

WHEREAS, the Board of Selectmen believe that the granting of the property tax  
abatement is vital to the redevelopment of the Project and that the granting of the  
property tax abatement will further the best interests of the Town and the health, safety  
and welfare of its residents, all in accordance with the public purposes and provisions of  
applicable federal, state and local laws and requirements under which the Project has  
been undertaken; and

WHEREAS, the Town of Darien recently adopted an affordable housing tax  
abatement ordinance which authorizes a tax abatement for eligible affordable housing  
developments such as this Project.

NOW THEREFORE, for and in exchange of the mutual covenants and  
agreements set forth herein, and other good and valuable consideration, the receipt and  
sufficiency of which is hereby acknowledged, the parties agree as follows:

1. The Board of Selectmen, in accordance with Section 8-215 of the Connecticut  
General Statutes, and the Town's affordable housing tax abatement ordinance hereby  
enters into this Memorandum of Agreement ("MOA").
2. The Board of Selectmen, acting by and through the First Selectman, have  
submitted to the Board of Finance and the Representative Town Meeting (the "RTM") a  
series of resolutions in compliance with Darien's affordable housing tax abatement  
ordinance by which the Board of Finance and the RTM by enacting those resolutions will  
declare that:



- a) the Planning and Zoning Commission has approved a Special Permit for this Project.
- b) the Project will comprise housing solely for low or moderate-income persons and families;
- c) the Project will further the Town's ability to provide affordable housing to low and moderate income persons and families and will, thereby, serve the public good; and
- d) the granting of an abatement of the real property taxes is necessary to: accommodate the current residents so that their rents can continue to be lower than the rents that would otherwise be required in the absence of such tax abatement; assist with the extraordinary site improvement costs; and ensure quality construction, development, maintenance and operation of the Project.

3. The Board of Selectmen, acting by and through the First Selectman, have submitted to the Board of Finance and the RTM a resolution in compliance with Darien's affordable housing tax abatement ordinance which will establish an abatement of the real property taxes according to the schedule (the "Tax Abatement Schedule") set forth below:

- a) Prior to the issuance by the Town of Darien of temporary or permanent certificates of occupancy for no fewer than 106 units of housing at the Project (the "Construction Period"), 100% of Real Property Taxes will be abated; provided, however, that in no event shall the Construction Period extend beyond the later to occur of the following events: (i) the last day that the Project may be placed in service in accordance with Section 42(h)(1)(E) of the Internal Revenue Code; or (ii) the first day of the 29th calendar month immediately following the issuance of a construction permit for the entire Project by the Town of Darien;
- b) During year 1 through year 5 after the end of the Construction Period, 100% of the real property taxes will be abated;
- c) During year 6 after the end of the Construction Period, the Project will pay 10% of its property tax; during year 7 it will pay 25%; during year 8 it will pay 40%; during year 9 it will pay 55%; during year 10 it will pay 70%; during year 11 it will pay 85%; and during year 12 and thereafter it will pay 100% of the property taxes.
- d) The foregoing tax abatement is based in part upon the assumptions that (i) there will be 43 existing residents at the Project that will return at the end of the Construction Period (the "Existing Tenants"), and (ii) that 5% of the housing units occupied by such Existing Tenants will turn over on an annual basis. In order to ensure that these assumptions remain valid, commencing with the 5<sup>th</sup> anniversary of the end of the Construction Period, and on each anniversary thereafter for as long as taxes are abated under Paragraphs 1(b) and 1(c) above (each, a "Turnover Measurement Date"), the Authority shall certify to the Town of Darien the actual number of housing units vacated by Existing Tenants since the end of the Construction Period (the "Certified Turnover Number"). Such certification shall be provided to the Town of Darien no later than ninety (90) days after the applicable Turnover Measurement Date. If the Certified Turnover Number

exceeds the number set forth in the chart below adjacent to the Turnover Measurement Date in question (the "Turnover Threshold Number"), then the amount of the property tax abatement set forth under Paragraphs 1(b) and 1(c) above shall be reduced by the Town of Darien Tax Assessor for the twelve month period commencing on such Turnover Measurement Date, by an amount equal to the product of (i) \$1,000.00, and (ii) the difference arrived at by subtracting (x) such Turnover Threshold Number, from (y) such Certified Turnover Number.

<u>Turnover Measurement Date</u>	<u>Turnover Threshold Number</u>
1) 5 <sup>th</sup> Anniversary	13
2) 6 <sup>th</sup> Anniversary	15
3) 7 <sup>th</sup> Anniversary	18
4) 8 <sup>th</sup> Anniversary	21
5) 9 <sup>th</sup> Anniversary	23
6) 10 <sup>th</sup> Anniversary	26
7) 11 <sup>th</sup> Anniversary	29

4. The Board of Selectmen have approved the Tax Abatement Schedule for the Project set forth in Paragraph 3 above and will authorize and direct such further action as is necessary to give effect to the Tax Abatement Schedule for the Project.

5. This MOA, when approved by the Board of Finance and RTM and executed by the First Selectman, shall constitute the tax abatement contract in accordance with Section 8-215 and the Town's affordable housing tax abatement ordinance.

6. The terms of this Memorandum of Agreement were approved by the Board of Finance on \_\_\_\_\_, 2010 and approved by the RTM on January \_\_, 2010 in accordance with the Town's affordable housing tax abatement ordinance and the First Selectman was authorized to enter into this Memorandum of Agreement on behalf of the Town with AON and the Authority. Upon the approval by the Board of Finance, the RTM and the Board of Selectmen, and upon the entering into of this MOU by the First Selectmen, the Authority and AON, the real property taxes levied upon the Project shall be abated in accordance with the Tax Abatement Schedule set forth in Paragraph 3 above.

The Board of Selectmen

By \_\_\_\_\_  
David Campbell, First Selectman, Duly Authorized

Housing Authority of the Town of Darien

By \_\_\_\_\_

Jenny Schwartz, Chairman, Duly Authorized

AON, LLC

By \_\_\_\_\_  
Arthur Anderson, Duly Authorized

**\*\* THE MOTION WAS SECONDED FROM THE FLOOR.**

**\*\* JOHN VAN DER KIEFT, DISTRICT V, CHAIRMAN OF PZ&H, MOVED THE SECOND PROPOSED AMENDMENT RATHER THAN THE DRAFT MEMORANDUM OF AGREEMENT (ATTACHED).**

**\*\* THE MOTION WAS SECONDED FROM THE FLOOR.**

John van der Kieft, District V, Chairman of PZ&H, read the report of the committee (attached) and introduced the Vice-Chair of the committee, Joanne Hennessy (District V).

Joanne Hennessy, District V, Vice-Chair of PZ&H, said that the original MOA was not in the best interests of the town. The committee wished to strike a fair balance between helping the DHA and meeting the needs of the town. They spent weeks researching and hours discussing the best approach. The changes they made to the contract do not hurt the project and do help the town possibly get a bit more revenue.

Seth Morton, District III, asked for clarification as to which amendment they were discussing; the Moderator pointed out that they were discussing the one that says "Second Proposed Amendment."

Liz Mao, Chairman of the Board of Finance, said that the changes suggested in Mr. Orr's report were not problematic; it was clean-up language.

Jack Davis, District V, suggested that they vote twice – once on the amendment and once on the resolution. The Moderator said that Town Counsel advises that they need to vote on the amendment first. Mr. Davis said they could withdraw their amendment. Town Counsel Fox said that the most appropriate thing would be for this body to vote on this amendment. They can withdraw this amendment, but he was afraid that series of amendments would be convoluted.

Thomas Moore, District III, asked First Selectman Campbell about the Selectmen's view. First Selectman Campbell said that the Board of Selectmen voted five in favor of the original proposal. There are a few wordsmithing items but it is up to the RTM. They were comfortable with the original resolution. If this changes materially, it will come back to the Board of Finance.

Diana Nizolek, District V, said this is very complex. They are encumbering future generations for 12 to 15 years.

Bruce Orr, District V, said he was comfortable with the technical wording changes. The substantive change is that there is a \$200,000 change in tax abatement over the turnover period (12 years).

Maria Cleary, District IV, said it affects DHA borrowing.

Ted Hawkins, District VI, said the \$200,000 impact would only be to the taxes being paid. If there is a turnover, it helps the town but would not affect financing. Jennie Schwartz, Chairman of the Housing Authority, said if a unit turns over, they don't automatically make money. About 21 of the 43 households cover the internal subsidy costs. Taking the turnover threshold table out turns into a penalty for us and dramatically impacts our ability to borrow money.

Christopher Noe, District II, said that the numbers don't make sense. First Selectman Campbell said this is a debt-restricted property, a not a for-profit development.

Norman Guimond, District VI, a member of PZ&H, said Ms. Schwartz had said that the abatement makes them more competitive. She said if they have a \$30,000,000 project, if they can

ask for more tax credits, they can carry more debt. That would not be the case if they did not have the abatement. This gives them another revenue stream.

Jim Palen, District VI, asked if they could make the wordsmithing changes without coming back to the town, and the Moderator said that could be done.

Seth Morton, District III, said there are two elements – wordsmithing and the financial aspects of the deal, and the Moderator agreed.

Joanne Hennessy, District V, Vice-Chair of PZ&H, said these were changes in meaning, not wordsmithing. They feel anything they can do to help the taxpayers in town is worth doing. They think this is fair and balanced.

Liz Mao, Chairman of the Board of Finance, said that the Board of Finance voted unanimously on the original agreement. They have an interest in supporting affordable housing in Darien and this deserves the support of the taxpayers of Darien.

Allison Stolar, District V, asked Mr. Orr to identify additional costs to the town. Mr. Orr said that the total estimated tax bill is \$106,000 or \$1,000,000 cumulatively. This resolution and the amendment is not addressing any other costs.

Thomas Moore, District III, asked First Selectman Campbell if he supports the amendment or not. First Selectman Campbell said he does not support the amendment.

Holly Kelly, District VI, asked what Allen O'Neill pays in taxes. They don't pay taxes now but they are getting something. This is a project that the town needs and supports. Liz Mao said she was absolutely correct. The State pays them a PILOT [payment in lieu of taxes] of \$70,000, which could go away.

Sarah Seelye, District II, asked who was for the first amendment and who was for the amendment. It was noted that PZ&H is the only group for it. The Board of Finance and the Board of Selectmen favor the original, as does the Housing Authority and Finance & Budget.

**\*\* JACK DAVIS, DISTRICT IV, CALLED THE QUESTION.**  
**\*\* THE MOTION WAS SECONDED FROM THE FLOOR.**  
**\*\* MOTION PASSED BY VOICE VOTE.**

**\*\* ITEM 11-3A (AMENDMENT) FAILED BY A RISING TALLY VOTE OF 22 IN FAVOR, 47 OPPOSED AND 3 ABSTENTIONS.**

Discussion ensued on item 11-3.

**\*\* A MOTION WAS MADE TO MAKE THE FOLLOWING TECHNICAL AMENDMENTS TO THE MEMORANDUM OF AGREEMENT:**

- 1) IN ITEM 3a, 2<sup>ND</sup> LINE, "FEWER" WAS CHANGED TO "MORE"
- 2) ITEM 3d(i), \$1,000.00 WAS CHANGED TO "THE CURRENT ASSESSED RATE PER UNIT"

- 3) IN ITEM 5, AFTER "THE FIRST SELECTMAN" INSERT "\*\*AS  
APPROVED BY THE DARIEN PLANNING & ZONING COMMISSION  
ON MARCH 10, 2009"
- 4) IN ITEM 6, CORRECT "MOU" TO "MOA"

\*\* THE MOTION WAS SECONDED FROM THE FLOOR.  
\*\* THE TECHNICAL AMENDMENTS CARRIED BY VOICE VOTE.

\*\* ITEM 11-3, AS AMENDED, CARRIED ON A RISING TALLY VOTE OF 65 IN  
FAVOR, 6 OPPOSED, 1 ABSTENTION.

\*\* UPON MOTION MADE AND SECONDED FROM THE FLOOR, IT WAS  
UNANIMOUSLY VOTED TO ADJOURN AT 11 P.M.

Respectfully submitted,

Cheryl Telesco  
Telesco Secretarial Services

APPENDIX

<u>DISTRICT I</u>	<u>(11-1)</u>	<u>(11-2)</u>	<u>(11-3a)</u>	<u>(11-3)</u>
Bishko	no	yes	yes	yes
Glassmeyer	yes	yes	yes	yes
Harrington	yes	?	no	yes
Hegarty	yes	no	yes	yes
Imbimbo	yes	yes	no	yes
Kahn	yes	no	no	no
Kelly, P.	yes	no	no	yes
Nelson	yes	yes	no	yes
Ness	no	no	no	yes
Price	absent	absent	absent	absent
Schneider	yes	yes	no	yes
Schulz-Amatruda	yes	no	no	yes
Schwarz	yes	no	no	yes
Sini	yes	yes	yes	yes
Sommer	no	yes	yes	yes
Tierney	yes	yes	no	yes

DISTRICT II

Bacon	yes	absent	absent	absent
Cummings	yes	yes	no	yes
Gallo	absent	absent	absent	absent
Harman	yes	yes	no	yes
Hoffman	yes	abstain	no	yes
Howe	yes	yes	yes	absent
Magida	yes	yes	no	yes
Maguire	absent	absent	absent	absent
Marston	yes	yes	yes	yes
McIlmurray	absent	absent	absent	absent
Mundt	yes	no	no	yes
Noe	abstain	abstain	no	no
Seelye	yes	yes	no	yes
Thorne, B.	yes	yes	no	yes
Thorne, M	yes	yes	no	yes

DISTRICT III

Bayne	yes	yes	no	yes
Brode	yes	yes	no	yes
Burke	yes	yes	no	yes
Cardone	yes	yes	no	no
Coyle	yes	yes	absent	absent
Duffy	yes	yes	no	yes
D'Urso	absent	absent	absent	absent
Fead	yes	yes	no	yes
Ferretti	yes	abstain	abstain	yes
LeHan	yes	yes	no	yes
Maroney	absent	absent	absent	absent
Martens	yes	no	no	yes
Moore	yes	yes	no	yes
Morton	yes	yes	no	yes
Olvan	yes	yes	yes	yes
Smith	yes	yes	no	yes
Young	yes	yes	yes	yes

<u>DISTRICT IV</u>	<u>(11-1)</u>	<u>(11-2)</u>	<u>(11-3a)</u>	<u>(11-3)</u>
Cameron	yes	yes	no	yes
Cleary	yes	yes	no	yes
Davis	yes	no	no	yes
Kemp	yes	yes	no	yes
McIlree	yes	no	no	yes
Millar	yes	yes	yes	absent
Miller	yes	yes	yes	abstain
Morrison	absent	absent	absent	absent
Peters	absent	absent	absent	absent
Rayhill	absent	absent	absent	absent
Rycenga	yes	no	abstain	yes
Savage	yes	yes	no	yes
C.Schoonmaker	absent	absent	absent	absent
S.Schoonmaker	absent	absent	absent	absent

#### DISTRICT V

Adiletta	yes	no	yes	yes
Camuti	abstain	yes	absent	absent
Conniff	absent	absent	absent	absent
Dailey	yes	no	yes	yes
Davis	yes	yes	?	yes
George	yes	yes	absent	absent
Hennessy	yes	yes	yes	yes
Nizolek	yes	yes	abstain	no
Orr	yes	yes	no	yes
Patrick	yes	yes	no	yes
Pierret	absent	absent	absent	absent
Ritchie	yes	no	yes	yes
Russell	yes	yes	?	no
Sharp	yes	yes	?	yes
Stolar	yes	yes	yes	no
vanderkieft	yes	abstain	yes	yes

#### DISTRICT VI

Adelman	yes	yes	no	yes
Armour	Did not vote			
Baldwin	no	no	absent	absent
Bealle	absent	absent	absent	absent
Conologue	absent	absent	absent	absent
Grogan	yes	yes	?	yes
Guimond, M.	yes	no	yes	yes
Guimond, N.	yes	no	yes	yes
Hawkins	yes	no	yes	yes
Kelly, H.	?	yes	no	yes
McDermott	yes	yes	no	yes
McLean	yes	yes	no	yes
McNamara	yes	yes	no	yes
Palen	yes	yes	no	yes
Plehaty	yes	yes	no	yes
Poli	yes	yes	yes	yes
Swenson	yes	yes	no	yes



# **RTM Education Committee**

## **Report to the RTM on January 24, 2011**

Good evening. My name is Lois Schneider and I am Chair of the RTM Education Committee.

Without objection, I would like to waive the reading of the text of resolution numbered 11-1 the contract between the Darien Board of Education and Darien Administrators' Association. . . . I would like to make a motion to consider this resolution. . May I have a second. .

I would like to propose a technical amendment for a minor change to clarify the language in the resolution: the 3<sup>rd</sup> Whereas clause should replace "ratified" with "signed" and the 4<sup>th</sup> Whereas should replace "approved" with "signed". .

At the Regular Meeting of the RTM Education Committee on Thursday, January 20, 2011 with 9 of 14 members present representing a quorum, our committee met to discuss and vote on the new contract with the Administrators. Guests included members of the Board of Education negotiating team. We appreciate their time to answer our questions. We evaluated the negotiated contract, the summarizing memo and answers to questions raised by the group. We voted unanimously to support resolution 11-1 and recommend it for your approval.

This bargaining unit covers 24 people including Principals, Assistant Principals, Special Ed and Arts Directors and Assistant Directors. The discussion of the process for the development of the settlement was important and provided us with a better understanding of the give and take to come to an agreement that was satisfactory for both parties. Our recommendation of the contract for the period 7/1/11 through 6/30/14 is based on several factors including these important considerations:

The annual salary increases of 1.5%, 1.75% and 1.75% for each of the three years are much lower than that of the prior contract increases of 4.1% to 3.8%.

The major feature of the contract is the changes in the Health insurance agreement. The plan has new Health Care options including 2 Open Access Plans and an HSA. The administrators pay a minimum of 18% of the premium share, but this contract has a cost sharing component for increased costs - a new and innovative change in the approach to Health Care cost management. Annual increases beyond 5% of the base cost of the current Open Access Plan will be shared equally between the district and the administrators. Thus substantial growth in the plan costs will be shared with the administrators. The administrators have the option of going to a lower cost plan to limit the costs to themselves and the district. This provision continues the adjustments to the Health Care benefits that have been the focus of the Board of Education.

Several other components of the plan were adjusted such as Disability protection moving from \$7,000 to \$9,000 per month, not to exceed 60% of salary and the allowance for increased maximum accumulated sick days.

The negotiating team worked to balance fiscal responsibility with the educational responsibility to provide outstanding leadership of the schools and set a new approach to Health care cost management. The overall net effect of the settlement, including the impact of insurance changes, is estimated to be on average \$38,000 or 1.097% increase per year - about 1/3 the increase in the last contract.

The Education Committee supports this Administrators' contract and recommends that the RTM do the same.

Thank you very much.

**Finance & Budget Committee  
Report to RTM, January 24, 2011**

**(11-1) RTM RESOLUTION APPROVING CONTRACT BETWEEN THE  
DARIEN ADMINISTRATOR'S ASSC. AND THE DARIEN BOE**

I am Bruce Orr, District 5 and Chair of Finance and Budget.

The F&B committee met at a Special Meeting on Jan. 18, 2011, with 10 of 15 members present comprising a quorum. At this meeting, the Committee jointly met with the BOF and reviewed this Resolution with members of the BOE.

As you have read in the memo included in your RTM packet and as Ms. Schneider has crisply described, the key features of this new contract are:

- Salary increases of 1.5% in year one and 1.75% in years two and three
- Employee's share of health insurance premiums will be a minimum of 18%
- And, if annual premium's cost exceeds 5% of the current OAP plan (or highest cost plan), that cost is shared 50/50 with the employees and the District.

For reference, the current or expiring contract had annual salary increases of about 4.0% per year and had the employee's share of the health care premium cost gradually increasing.

The most novel aspect of this contract is the cost sharing of the health care premium when annual costs exceed 5% of the highest cost plan. This element is designed to control health care costs by not only sharing the historical double digit rise health care expenses but also provides an incentive for the employee to select one of the lower cost plans, such as an HSA. We understand that this feature may be the first of its kind with a collective bargaining organization in the State of Connecticut.

As outlined in the memo provided, it is forecast that the net cost of salary increases and off-sets from health care savings will be between .92% and 1.19% annually.

As many of you know, this summer the BOE will be beginning negotiations with the Darien Teacher's Union on a new contract that would become effective in the 2012-2013. While they are different bargaining units with somewhat different issues, the Committee believes that this Administrator's contract could – at the minimum, be solid template for negotiations with the Teacher's Union.

The Committee voted unanimously to approve this Resolution.

We recommend to the RTM to vote in favor of this Resolution.

Bruce G. Orr, Sr.  
Chairman  
January 24, 2010

7/1/11-6/30/14

Good evening Madame Moderator, members of the RTM.

*Kim Westcott, Chairman of Darien BOE.*

You have heard the details of the settlement between the BOE and the Darien Administrators Association. The Administrator association represents 24 members, the principals, <sup>superintendents</sup> AP, Director of Special Ed, Athletic Director, etc. These are the folks on the front lines managing our schools and our largest programs. They are important partners and integral to Darien's success as a school district. Our goals in negotiating the contract were to bring down salary increases to ~~lower~~ <sup>better</sup> reflect today's market and to slow the growth of future health benefits costs. Our attorney, Mr. Tom Mooney negotiates contracts throughout the state on behalf of Shipman and Goodwin and he provided comparative information about recent Administrative settlements reached across the state.

#### **Salary Settlement:**

Our salary settlement is below average for administrator settlements this year. At 1.5%, 1.75%, 1.75%, our three year combined increase is below the average across the state... 5.0 vs. 5.2%. While we are higher in the first year we are lower in years two and three.

#### **Health Benefits:**

The new health plans carry higher deductibles and co pays and importantly, our cost sharing arrangement for health benefits "breaks new ground". Where most agreements seek to split the cost of coverage between employee and employer in a static ratio across the life of the contract (currently 18/82% for Darien Administrators), our agreement allows for increased sharing of costs (50/50%) should provider pricing increase more than 5% each year off a base established this year. Our cost increase from our provider for 10-11 is 24% and for 11-12 is projected to be between 10-14%. We believe this cost sharing structure will be advantageous to the Board of Education while providing similar levels of coverage to the employee.

This contract focuses mainly on salary and benefits and we had minimal language changes. The contract is favorable to the Board in that it maintains management prerogatives.

I would be happy to answer your questions and I would ask your support to allow the contract to stand as negotiated.

Kimberly P. Westcott  
Chairman, Darien Board of Education  
January 24, 2010

**Finance & Budget Committee  
Report to RTM, January 24, 2011**

**(11-2) RTM RESOLUTION TO INCREASE THE BOND AND NOTE  
AUTHORIZATION FOR THE WEED BEACH PROJECT FROM \$2 MILLION  
TO \$3.3 MILLION**

I am Bruce Orr, District 5 and Chair of Finance and Budget.

If there are no objections, I propose to waive the reading of the Resolution.

I move Resolution (11-2) and ask for a second.

The F&B committee met at a Regular Meeting on Jan. 18, 2011, with 9 of 15 members present comprising a quorum. Three members of the BOF joined us for a discussion and background on the subject.

As many of you will recall, in April 2008, the RTM approved the expenditure of \$3.6 million for the renovation of Weed Beach. Included in the Resolution was that funding for the project would be managed by issuing bonds of \$2 million, with balance being provided from the Town's General Fund. At that time, the General Fund of the Town was at the high end of requirements needed to sustain a AAA bond rating and it would be prudent to fund a portion of project from the General Fund.

As you may also recall, in late 2008 all major Town capital projects were put on hold in light of the eroding economy and the general uncertainty going forward. Recently, with the improving economy, the BOS has released these projects to move forward.

This Resolution is simply about the prudent way to fund the project, given the current position of the General Fund balance and historically low interest rates for municipalities with excellent credit ratings. As I am sure you will hear from the BOF tonight, sustaining our General Fund at somewhat steady levels and within a range of 8 to 12 % of the total Town Budget, has a direct relationship on maintaining our AAA credit. With the General Fund shrinking somewhat over the past two years and our overall debt service marginally declining, increasing the bond issue for this project makes the most economic sense.

The Committee approved this resolution with a vote of 5 in favor and 4 against. The 4 members who voted against the Resolution, generally felt that the project should continue to be placed on hold, given other Town priorities and continued economic uncertainty. Those who voted in favor, felt that if the RTM did approve

increasing the bond issue, that the Town would find alternative funding mechanisms to complete the project and believe that increasing the bond issue was the most prudent approach.

We recommend to the RTM to vote in favor of this Resolution.

Bruce G. Orr, Sr.  
Chairman  
January 24, 2010

January 24, 2011

REPRESENTATIVE TOWN MEETING  
WARNING ITEM 11-12

Good evening, I am Cheryl Russell, Chairman of the Park and Recreation Committee.

The Park and Recreation Committee held a meeting on January 10, 2011 with 10 of 12 member's presents, to discuss and vote on the bonding of \$3,300,000.00 for improvement to Weed Beach.

During our discussion a verity of questions arose, such as,

- \* What if we do not approve this amount of bonding, what will happen to the project?
- \* Can the Town afford financing this bond given a difficult budget year a head?
- \* Is this the right time to move any projects forward?

Some members agreed that the cost of borrowing is low and it makes sense to take advantage of the borrowing opportunity. However, members expressed an interest in hearing from the First Selectman or Board of Selectman as to why they believe the Town can afford this bonding increase now given the state of the economy. Mr. Campbell agreed to address us tonight. *Mrs. Mac will address our concern on Mr. Campbell.*

The Park and Recreation Committee voted nine in favor 0 opposed and 1 abstention for the bonding of \$3,300,000.00

The member that abstained had two concerns, the timing of the increase in bonding and public support of this spending.

We all agree this project has been a long time coming, seven years to now and one more to completion. We must maintain our beaches so that the beauty and benefit for our residents is not destroyed.

We urge you to approve this request for bonding.



**Finance & Budget Committee**  
**Report to RTM, January 24, 2011**

**(11-3) RTM RESOLUTION APPROVING MEMORANDUM OF AGREEMENT  
CONCERNING TAX ABATEMENT FOR ALLEN-O'NEILL PROJECT**

I am Bruce Orr, District 5 and Chair of Finance and Budget.

If there are no objections, I propose to waive the reading of the Resolution.

I move Resolution (11-3) and ask for a second.

The F&B committee met at a Regular Meeting on Jan. 18, 2011, with 9 of 15 members present comprising a quorum. We were joined by members of the DHA and one member from PZ&H for our discussion and debate on this Resolution.

As this body will recall, we approved the enabling Tax Abatement Ordinance on March 15, 2010 (2 days after the Nor'easter of March, 13) on a vote of 61 in favor, 2 opposed and 1 abstention. You may also recall that the original Tax Abatement legislation came before this body in Jan. 2010 but the vote was postponed so that some standing committees could learn more about and some language was tightened up... mainly at the request of this committee to add a BOF oversight in the process. At both sessions where we debated and took action, it was abundantly clear that the Ordinance was squarely directed at the redevelopment of AON. And to refresh everyone's memory, the primary reason for the tax abatement for the AON redevelopment project is that in order to finance this project, the legal entity developing this property would be moving from a non-tax paying entity (the DHA) to a taxable entity, known as the AON, LLC.

You have in front of you a couple of documents: the Resolution itself and the unsigned Memorandum of Agreement (MOA) between the BOS, the DHA and AON, LLC. You also have a so called "Substitute Resolution and MOA" that I will not be addressing in this particular report, but will do so later, if appropriate and recognized... For this report please refer only to the BOS and BOF approved MOA.

Our Committee has worked hard to work through this MOA so let me try and distill the MOA into its salient points:

- This is a 12 year tax abatement from issuance of the Certificate of Occupancy. In practice and principal, the estimated two year construction period is also tax abated.
- There is – what I call – an abatement "wind down" period beginning after year 5 (or year 7 if you include the construction period), whereby the

developer begins to pay portion of the taxes, starting at 10% of the tax in year 6 and rising to 100% of the tax by year 12.

- The tax paid during this “wind down” period can be further reduced based on a turnover schedule of the existing 43 AON tenants, who are assumed to be moving to the new units. If turnover rate of these existing tenants is faster than forecast in the turnover schedule, the property taxes are accelerated.
- Regardless of the turnover schedule, the development is fully taxable by year 12, exclusive of the construction period.
- The reason that the turnover schedule is based on the turnover of existing tenants is that their current rent schedule, which is based on a State mandated schedule for low income housing called MR36 will be grandfathered and are at much lower rental rates than new tenants, whose rent will be based on higher schedule as dictated by Federal H.U.D. guidelines... almost like NYC’s rent control:
- Based on preliminary estimates from the Tax Assessor, the new development would be subject to a property tax bill of approximately \$106k per year using the current mill rate. Based on this assumption – and it is an assumption – the cumulative tax abatement over the 12 year plus 2 year abatement with “wind down” provisions, would be in the range of \$1 million.
- To put this abatement in context, our Town Budget last year, excluding any capital items was approximately \$109 million
- The BOS and BOF have approved this MOA and believe it is in the best interests of the Town

The Committee voted 8 in favor, with one abstention to approve this Resolution.

We recommend to the RTM to vote in favor of this Resolution.

Bruce G. Orr, Sr.  
Chairman  
January 24, 2010

(11-3)

**SECOND PROPOSED AMENDMENT TO  
MEMORANDUM OF AGREEMENT CONCERNING  
TAX ABATEMENT FOR ALLEN-O'NEILL PROJECT**

This Memorandum of Agreement is entered into as of this            day of            , 2011, by and between the Housing Authority of the Town of Darien (the "Authority"), AON, LLC ("AON") and the Darien Board of Selectmen.

**WHEREAS**, the Authority and AON intend to redevelop the Allen-O'Neill Project (the "Project"); and

**WHEREAS**, the Project will increase the number of affordable housing and rental units and replace existing affordable housing rental units in the low and moderate income housing project which is currently owned and operated by the Authority in the Town of Darien; and

**WHEREAS**, the development of the Project is in the best interests of the Town and promotes the health, safety and welfare of its residents; and

**WHEREAS**, the Board of Selectmen believe that the granting of the property tax abatement is vital to the redevelopment of the Project and that the granting of the property tax abatement will further the best interests of the Town and the health, safety and welfare of its residents, all in accordance with the public purposes and provisions of applicable federal, state and local laws and requirements under which the Project has been undertaken; and

**WHEREAS**, the Town of Darien recently adopted an affordable housing tax abatement ordinance which authorizes a tax abatement for eligible affordable housing developments such as this Project.

**NOW THEREFORE**, for and in exchange of the mutual covenants and agreements set forth herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. The Board of Selectmen, in accordance with Section 8-215 of the Connecticut General Statutes, and the Town's affordable housing tax abatement ordinance hereby enters into this Memorandum of Agreement ("MOA").
2. The Board of Selectmen, acting by and through the First Selectman, have submitted to the Board of Finance and the Representative Town Meeting (the "RTM") a series of resolutions in compliance with Darien's affordable housing tax abatement ordinance by which the Board of Finance and the RTM by enacting those resolutions will declare that:
  - a) the Planning and Zoning Commission has approved a Special Permit for this Project.

- b) the Project will comprise housing solely for low or moderate-income persons and families;
- c) the Project will further the Town's ability to provide affordable housing to low and moderate income persons and families and will, thereby, serve the public good; and
- d) the granting of an abatement of the real property taxes is necessary to: accommodate the current residents so that their rents can continue to be lower than the rents that would otherwise be required in the absence of such tax abatement; assist with the extraordinary site improvement costs; and ensure quality construction, development, maintenance and operation of the Project.

3. The Board of Selectmen, acting by and through the First Selectman, have submitted to the Board of Finance and the RTM a resolution in compliance with Darien's affordable housing tax abatement ordinance which will establish an abatement of the real property taxes according to the schedule (the "Tax Abatement Schedule") set forth below:

- a) Real Property Taxes will be abated for each unit during the Construction Period until a temporary or permanent certificate of occupancy is issued for that completed unit. The "Construction Period" means the time between the date of the building permit and the issuance of a temporary or permanent certificate of occupancy. The Construction Period for each unit shall end upon the issuance of a temporary or permanent certificate of occupancy for that completed unit. (AON assumes that the 106 units approved by the Planning and Zoning Commission on March 10, 2009 will be constructed in two phases and temporary or permanent certificates of occupancy will be issued for completed units.) In no event shall the Construction Period extend beyond the later to occur of the following events: (i) the last day that the Project may be placed in service in accordance with Section 42(h)(1)(E) of the Internal Revenue Code; or (ii) the first day of the 29th calendar month immediately following the issuance of a building permit for the entire Project by the Town of Darien;
- b) During year 1 through year 5 after the end of the Construction Period for each unit, 100% of the real property taxes will be abated;
- c) During year 6 after the end of the Construction Period each completed unit will pay 10% of its property tax; during year 7 it will pay 25%; during year 8 it will pay 40%; during year 9 it will pay 55%; during year 10 it will pay 70%; and during year 11 it will pay 85%, all subject to Paragraph 3(d) below. During year 12 after the end of the Construction Period and thereafter each completed unit in the Project will pay 100% of the Real Property Taxes.
- d) The foregoing tax abatement is based in part upon the assumptions that (i) there will be up to 43 existing tenant households at the Project that will return at the end of the Construction Period (the "Existing Tenants"), and (ii) that 5% of the housing units occupied by such Existing Tenants will turn over on an annual basis. The Authority shall annually certify to the Town of Darien the turnover of Existing Tenants. (The "Certified Turnover of an Existing Tenants" means the number of Existing Tenants that either did not return to live in the Project at the

end of the Construction Period or no longer live in the Project and each Certified Turnover of an Existing Tenant shall represent a "Certified Turnover Unit.") During years 6 through year 11 the Tax Abatement Schedule under Paragraph 3(c) shall be reduced by each Certified Turnover Unit paying 100% of the Real Property Taxes for that unit rather than the reduced percentage under Paragraph 3(c).

4. The Board of Selectmen have approved the Tax Abatement Schedule for the Project set forth in Paragraph 3 above and will authorize and direct such further action as is necessary to give effect to the Tax Abatement Schedule for the Project.

5. This MOA, as approved by the Board of Finance and RTM and executed by the First Selectman, shall constitute the tax abatement contract for the Allen-O'Neill project as approved by the Darien Planning and Zoning Commission on March 10, 2009, in accordance with Section 8-215 and the Town's affordable housing tax abatement ordinance.

6. Upon the approval by the Board of Finance, the RTM and the Board of Selectmen, and upon the entering into of this MOA by the First Selectmen, the Authority and AON, the real property taxes levied upon the Project shall be abated in accordance with the Tax Abatement Schedule set forth in Paragraph 3 above.

**The Board of Selectmen**

By \_\_\_\_\_  
David Campbell, First Selectman, Duly Authorized

**Housing Authority of the Town of Darien**

By \_\_\_\_\_  
Jenny Schwartz, Chairman, Duly Authorized

**AON, LLC**

By \_\_\_\_\_  
Arthur Anderson, Duly Authorized

## ABATEMENT INTRO – RTM

As this is the first application under the Town's new tax abatement ordinance for affordable and moderate income housing, PZ&H took a very thorough look at the draft Memorandum of Abatement dated 12/14/10.

And, as the first application, the final document will be precedent setting and will be looked upon for guidance in future applications. The Committee met on two occasions -- Monday, January 10 and Tuesday, January 18 -- each meeting for the specific purpose of assessing the proposed Agreement.

Jenny Schwartz, Chairman of the Darien Housing Authority, and DHA Commissioner Joe Warren, participated in the first meeting. Joe also participated in the second meeting.

As the Town Code of Ordinances sets forth PZ&H's responsibilities as including "the adoption and enforcement of laws, rules and regulations affecting town planning, zoning, and public housing programs and related matters of administration, personnel and finance" we took a close look at the specifics of the agreement and as well as financial considerations.

We felt there were some elements to the agreement that could be tightened up in terms of specifics and in tax payer interest. Consequently PZ&H will be putting forth a motion to vote on an amended Memorandum of Agreement instead of the draft Memorandum of 12/14 10.

An agreement we believe fair to both the DHA and the Town.

When voted on within Committee the Amended Memorandum was approved decisively --- with a vote of 11 in favor of recommending to the RTM, 1 not in favor and 2 abstentions.

Joanne Hennessy, Vice Chairman, who has shepherded the Memorandum through two revisions will present and explain the recommended amended version.

Joanne ----

*John van der Kieft's report*